## **REMARKS**

The specification has been amended. Claims 1-20 are pending, with claims 1, 7, and 14 being independent.

Attached hereto is an Appendix entitled "Version with Markings to Show Changes Made" which is a marked-up version of the portions of the application which have been amended by the present supplemental amendment, with brackets indicating deleted matter and underlining indicating added matter.

Submitted herewith is an Information Disclosure Statement, consideration of which is respectfully requested.

The following reference is one of the thirteen references cited in the accompanying Information Disclosure Statement:

T. Sasaki et al., "An Analysis of Image-Sticking Effect by Transmittance Drift Measurement in Liquid Crystal Cells", Electronics and Communications in Japan, Part 2, Vol. 78, No. 2, 1995, pp. 79-85, ISSN 8756-663X/95/0002-0079 (in English), translated from Denshi Joho Tsushin Gakkai Ronbunshi, Vol. 77-C-II, No. 9, September 1994, pp. 392-398 (in Japanese).

This reference discloses that an image sticking or residual image effect in a TFT liquid crystal display device wherein a <u>DC</u> residual image occurs is known to be related to transmittance drift caused by a <u>DC</u> voltage applied to liquid crystal cells.

However, as described, for example, on page 2, lines 20-25, of the specification, the applicants have discovered that an <u>AC</u> residual image can occur in a liquid crystal display device of the lateral electric field type <u>even when</u> the liquid crystal display is driven by a pure <u>AC</u> voltage, and the applicants have

residual image which occurs even in a case of driving by pure AC is less than 8% as recited in independent claims 1, 7, and 14 as discussed in the amendment of January 3, 2003.

It is submitted that this feature of claims 1, 7, and 14 is <u>not</u> disclosed or suggested by the prior art of record because the prior art of record does <u>not</u> even recognize the <u>existence</u> of the problem of an <u>AC</u> residual image in a liquid crystal display device of the lateral electric field type, and thus <u>necessarily</u> does <u>not</u> disclose or suggest providing a liquid crystal display device <u>wherein an AC</u> residual image which occurs even in a case of driving by pure AC is less than 8% as recited in claims 1, 7, and 14.

For the reasons set forth above and in the amendment of January 3, 2003, it is submitted that all of the Examiner's rejections have been overcome, and that the application is now in condition for allowance. Reconsideration of the application and an action of a favorable nature are respectfully requested.

Please charge any shortage in fees due in connection with the filing of this paper, or credit any overpayment of fees, to the deposit account of Antonelli, Terry, Stout & Kraus, LLP, Deposit Account No. 01-2135 (1113.40340X00).

Respectfully submitted,

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Attachment

## APPENDIX

## VERSION WITH MARKINGS TO SHOW CHANGES MADE

Changes made to the application by the present supplemental amendment are indicated below, with brackets indicating deleted matter and underlining indicating added matter.

## IN THE SPECIFICATION

The two paragraphs on page 1, line 20, through page 2, line 19, have been deleted and replaced with the following two replacement paragraphs:

--On the other hand, a lateral electric field system in which an electric field applied to a liquid crystal is provided in a direction approximately parallel to surfaces of substrates was developed. As an example of this system, the use of a pair of comb-like electrodes in which an electrode providing an electric field approximately in parallel with the surfaces of the electrodes is formed on one of the substrates is disclosed, [in,] for example, in Japanese Patent Publication No. [21,907/1988] 63-21907, [U. S.] U.S. Patent [Specification] No. 4,345,249, [European Patent] PCT International Application Publication No. [91/10,936] 91/10936, Japanese Patent Laid-Open Nos. [222,397/1994] 6-222397 and [160,878/1994] 6-160878, and the like. It is unnecessary that the electrodes

disclosed in these documents [are] <u>be</u> transparent, and opaque metal electrodes having a high conductivity are used.

In the display system in which the direction of the electric field applied to the liquid crystal is a direction approximately parallel to the surfaces of the substrates as disclosed in the above-mentioned documents, a method for reducing display unevenness present from the outset, such as an edge domain, has been proposed to date in Japanese Patent Laid-Open No. [159,786/1995] 7-159786. However, a construction or the like which is required for eliminating display unevenness occurring in a stress test such as a high-temperature working test or the like and improving a productivity is not described at all.--